



**Dear valued member,**

I'll start with some tough news: we won't be hosting The Energy Fair in 2025. The short explanation is that expenses are up, participation is down, and we can't afford another financial loss in 2025.

If you want to learn more about The Fair and the engaging events and programs to come in 2025, we've included our plans at the end of the letter. First, I want to tell you the fuller story of the MREA over the past year. We do a tremendous amount and, for good or bad, focus more on the work than its promotion. **With that in mind, I ask that you read this letter. It's a story that we think you'll want to hear.**

I look back at the first Fair I volunteered at in 2000 and everything seemed much simpler. Solar, wind, energy efficiency, and green building were "alternative." The electric utilities were big sponsors since it was good marketing and not yet a threat to their profits. YouTube didn't exist, much less the "Screen New Deal" that we live in today. Organic food was an oddity relegated, if at all, to tiny sections of the grocery store, and the sole beverage vendor at the Fair, Central Waters, was in a small club of new microbreweries that were daring to give beer color and taste again. **The MREA's vision was to mainstream the alternatives. We've moved a long way towards that vision. Now, however, it feels like every inch closer to the goal costs us more.**

Today, we get zero financial support from electric utilities and instead are most often in direct opposition. Utilities are making huge investments in solar and wind, which we mostly support. Utilities are strongly in favor of any asset that they own and from which their investors financially benefit. What they are not in favor of is the solar, wind, and batteries that their ratepayers (we) own since it erodes their justification to build new things and increase financial returns. The systemic challenge with the utility business model puts them at odds with customer energy efficiency and colors every aspect of our work. The following story, still unfolding as I write, exemplifies the challenge.

MREA earns most of our revenue from programs: professional training, technical assistance to help customers go solar and reduce energy costs, events, and contracts with public and private entities to conduct research or support education and market development efforts. Support from donors and members (thank you!) allows us to do the work that needs to be done but isn't profitable. **Isn't that what a non-profit is for? Doing the things that need to be done for the betterment of society even if they aren't profitable? We have bills like everyone else though, and if money in is less than money out, something has to give.**

As an example, MREA staff are commonly asked to present at conferences and serve on committees that help shape the energy market. None of this is paid work but we say yes because it advances the mission we all believe in. Recently, one such group advised on the update to Wisconsin interconnection procedures for distributed generation including solar and energy storage. The rules are critically important because utilities have a profit motive to deny customer interconnections, but they oversee the process, which is like the referee in a basketball game owning the opposing team and the stadium.

While this was happening, the MREA was busy managing the Solar on Schools program that helps Wisconsin schools go solar with technical assistance and module donations all funded by the good people at the Couillard Solar Foundation. As part of the effort, not only have we supported nearly 6MW of new school solar, but the foundation invented an outdoor solar classroom for schools. You have likely seen the beautiful timber frame pavilions with bifacial solar modules at our campus or online. The pavilion at the MREA has 50kW of modules and would help us offset the constantly increasing demand for electricity related to our electric vehicle charger. Our DC fast charger was the first public faster charger in the state and now supports more than 1,300 charges per year.

**Sounds great, right? New beautiful solar that promotes school sustainability while enabling clean electric vehicle charging and a new space to host events. Not so fast. Madison, we have an interconnection problem.**

As part of the interconnection advisory committee and through comments submitted by many MREA members, we warned that parts of the new rule would allow utilities to abuse their authority by increasing costs without justification or transparency. Utilities are now allowed to charge engineering review fees and distribution study fees for any sized system, without screening criteria and without boundaries on the cost. The only restriction in the new rule is that the charges be “cost based.” We argued that this is ripe for abuse and that utilities would use it to deter customer investments in solar.

I’ll give you one guess what happened when we submitted our interconnection application to Alliant Energy for the 50kW solar pavilion. How much do you think they require that we pay them to study its impact on the grid?

\$49,000. \$7,000 for engineering review and \$42,000 for distribution system study.

The charges are more than 25% of the cost of the system, and do not have to be justified or itemized. Applicants have 21 days to put the full amount in a utility account before the application advances. In addition, the charges may not be the total since they are an estimate, and the utility can decide that the actual costs are greater than the estimate and the applicant will owe the difference.

Are the fees justified because the grid in our area is so fragile that 50kW of new solar could jeopardize it? That would be concerning since Alliant's third quarter profits exceeded expectations due to increased rate collection justified for grid upgrades. Or is this retribution by the utilities because the MREA won a lawsuit this year, which was opposed by Wisconsin utilities and their front groups? The favorable appeals court ruling overturned an order that kept Wisconsin ratepayers from getting paid for the energy efficiency benefits they provide to the grid. Now businesses can participate in demand response programs where the grid operator pays customers to reduce their electricity use during critical times to keep prices low and the grid stable. This is great for Wisconsin ratepayers, but threatening to the electric utility profits.

**Defining the limits to utility charges on our and other projects will not be easy, requiring a lengthy dispute process that might result in further litigation. This must be a priority, but as a small organization with an ambitious mission, we have a lot of priorities and limited funds.**

For example, over the last year alone we conducted research for Focus on Energy to prepare for the home energy efficiency rebates coming to Wisconsin as part of the Inflation Reduction Act (we are the first state in the country to get the program approved!). We led a national community of practice on equitable solar workforce development to provide recommendations to the US Dept. of Energy for expanding worker benefits. We expanded our training program accreditation and courses and provided professional training to 684 students, advanced a National Guideline Standard of Apprenticeship for construction craft laborers working in the solar industry, helped launch a new business that offers affordable, hands-on training labs, hosted the Energy Fair and Energy Pro Demo Day, published a Midwest Consumer’s Guide to the Energy Transition, helped leaders from across the Midwest share their stories through the Rise Up podcast, helped 5 schools install over 1MW of solar, and helped over 1,000 Midwest homes and businesses invest in solar and energy storage through our group buy programs.

As detailed in our annual report, we spent more than we made last year. We mostly planned for it, but we are in no position to repeat the result. Based on past event financial performance, this means not hosting The Fair in 2025. **That doesn’t mean that we won’t have events. We will.** We’ll be inviting you to smaller events focused on continuing to spread the spirit of the Fair. We’ll also be hosting Energy Pro Demo Days with plans for events in Madison, Wisconsin in partnership with Renew Wisconsin and in Chicago, Illinois in partnership with The Chicago Urban League. We’ll make sure you know about the events when we have final details.

I could go on, but you know where to find me if you want to talk more. **Our mission and vision are as important today as they were when we started in 1990, and your continued support matters to us even more so. Thank you.**

Rise Up!



**Nick Hylla**  
MREA Executive Director

***Your support is vital to our mission***

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